HOUSING MARKET INFORMATION

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Canada

Canada Mortgage and Housing Corporation

Date Released: May 2009

Canadian Market Overview

New Home Market

Housing starts decrease in April

The seasonally adjusted annual rate[1] of housing starts was 117,600 units in April, down from 146,500 units in March.

The decrease in April's housing starts is partly attributable to the volatile multiple starts segment. Most of the decline has occurred in the condominium segment in Ontario.

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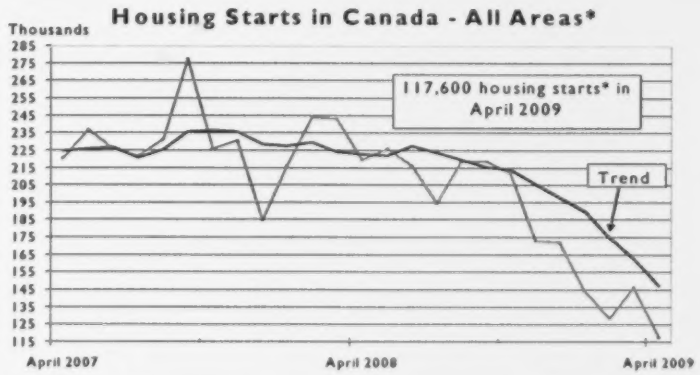
Figure 1



Source: CMHC

* Seasonally adjusted at annual rates
Monthly housing starts numbers published in Housing Now Canada are final and may differ from the preliminary numbers in the starts press release

[1] All starts figures, other than actual starts, are seasonally adjusted annual rates (SAAR) that are monthly figures adjusted to remove normal seasonal variation and multiplied by 12 to reflect annual levels.

Canada

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HOME TO CANADIANS

Urban starts move lower in April

The seasonally adjusted annual rate of urban starts decreased 23.9 per cent to 97,000 units in April. Urban multiple starts moderated 32.6 per cent to 54,800 units, while urban single starts moved lower by 8.5 per cent to 42,200 units in April.

April's seasonally adjusted annual rate of urban starts moderated in all regions, except for British Columbia, which grew by 1.0 per cent to 9,900 units. Urban starts declined by 43.7 per cent to 34,100 units in Ontario, by 16 per cent to 6,800 units in Atlantic Canada, by 6.5 per cent to 33,100 units in Quebec, and by 3.0 per cent to 13,100 units in the Prairies.

Rural starts were at a seasonally adjusted annual rate of 20,600 units in April.

Year-to-date actual starts down compared to 2008

Year-to-date actual starts in rural and urban areas combined decreased by an estimated 48.2 per cent compared to relatively high levels during the first four months of 2008. Actual urban single starts for January to April 2009 are down 47.3 per cent compared to a year earlier while urban multiple starts are down 50.4 per cent over the same period. On a year-to-date basis, actual total housing starts in urban areas have decreased by an estimated 49.3 per cent when compared to the same period in 2008.

New house prices moderate in March

The New Housing Price Index (NHPI) fell by 2.4 per cent in March compared to the previous year.

In comparing March 2009 to March 2008, double digit increases in the NHPI were limited to St. John's (20.8 per cent) and Regina (12.7 per cent). Declines were observed in Edmonton (-12.3 per cent), Saskatoon (-11.2 per cent), Calgary (-8.7 per cent), Vancouver (-7.8 per cent), Victoria (-6.6 per cent), St. Catharines-Niagara (-1.1 per cent), and Hamilton (-0.8 per cent)

Existing Home Market

MLS®[1] sales increased in April

Seasonally adjusted MLS®[1] (Multiple Listing Service®) sales increased by 11.2 per cent to 34,838 units in April, compared to 31,331 units in March.

Actual MLS® sales were down 11.8 per cent to 43,473 units compared to April 2008.

MLS® new listings decreased in April

Seasonally adjusted MLS® new listings in April decreased by 1.8 per cent to 66,843 units, compared to 68,082 units in March.

Actual new listings are down 21.5 per cent when compared to April 2008.

Sales-to-new-listings ratio up in April

An indicator of price pressure in the existing home market is the sales-to-new-listings ratio[2]. New listings are a gauge of the supply of existing homes, while MLS® sales are a proxy for demand.

Canada's existing home market has been in sellers' territory throughout most of this decade. Lately, a declining sales-to-new-listings ratio and slowing price growth indicate existing home markets have become more balanced. The Canada-wide seasonally adjusted sales-to-new-listings ratio is in balanced market territory at 52.1 per cent in April, up from 46.0 per cent in March.

The April seasonally adjusted average MLS® price in Canada

[1]Multiple Listing Service (MLS) is a registered certification mark owned by the Canadian Real Estate Association

[2]Taking the Canadian MLS® market as a whole, a sales-to-new-listings ratio below 40 per cent has historically accompanied prices that are rising at a rate that is less than inflation, a situation known as a buyers' market. A sales-to-new-listings ratio above 55 per cent is associated with a sellers' market. In a sellers' market, home prices generally rise more rapidly than overall inflation. When the sales-to-new- listings ratio is between these thresholds, the market is said to be balanced.

was up 0.9 per cent to $292,119 compared to March, while the unadjusted MLS® average price was down 3.2 per cent in April compared to a year ago.

The year-over-year decline in the unadjusted MLS® average price is due, in part, to continued fewer sales in the higher priced markets such as British Columbia and Alberta, where unit sales are down 15.7 per cent and 12.1 per cent, respectively, on a year-over-year basis.

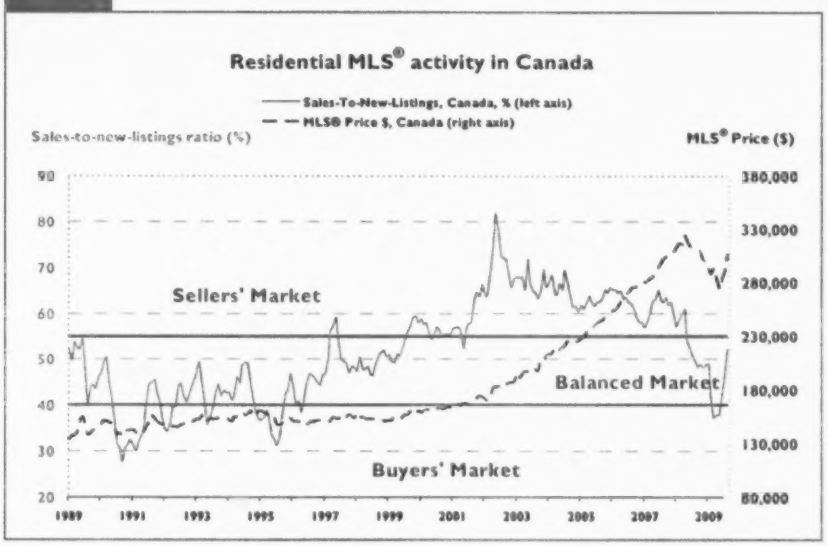
Economic conditions

Across the country, employment grew by 36,000 jobs in April. Nearly all of the gains were in self-employment. Canada's employment rate is now at 62.0 per cent, up from 61.9 per cent in March. Canada's unemployment rate now stands at 8.0 per cent, unchanged from March.

The Bank of Canada, like other major central banks, has cut its policy interest rates. The Bank of Canada has lowered the target for the overnight rate to 0.25 per cent as of April 21, 2009. According to the Bank of Canada, the outlook for the global economy continnues to be uncertain and stabilization of the global financial system is necessary for economic recovery.

The Consumer Price Index (CPI) increased by 0.4 per cent in April 2009 compared to the same month in 2008, down from the 1.2 per cent increase recorded for the 12-month period ending in March 2009. On a seasonally adjusted monthly basis, consumer prices fell 0.3% from March to April.

Figure 2



Data are seasonally adjusted and annualized.
Sources: CMHC, Canadian Real Estate Association (CREA), MLS®

This Month's Housing Data (SAAR)

	2008	Q3:08	Q4:08	Q1:09	M2:09	M03:09	M04:09
Housing starts, units, 000s							
Canada. Total. All areas	211.1	207.7	184.9	139.4	128.4	146.5	117.6
Per cent change from previous period	-7.6	-4.5	-11.0	-24.6	-10.9	14.1	-19.7
Canada. Total. Rural areas	23.7	26.3	22.1	19.1	19.1	19.1	20.6
Per cent change from previous period	-31.5	6.0	-16.0	-13.6	0.0	0.0	7.9
Canada. Total. Urban areas	187.4	181.4	162.8	120.3	109.3	127.4	97.0
Per cent change from previous period	-3.3	-5.9	-10.3	-26.1	-12.6	16.6	-23.9
Canada. Single. Urban areas	74.4	72.8	66.9	47.4	45.8	46.1	42.2
Per cent change from previous period	-18.1	-5.3	-8.1	-29.1	-9.7	0.7	-8.5
Canada. Multiple. Urban areas	112.9	108.6	95.9	72.9	63.5	81.3	54.8
Per cent change from previous period	9.8	-6.3	-11.7	-24.0	-14.5	28.0	-32.6
Newfoundland. Total. All areas	3.3	3.4	3.6	3.4	3.2	3.3	2.8
Per cent change from previous period	23.1	13.3	5.9	-5.6	-17.9	3.1	-15.2
Prince Edward Island. Total. All areas	0.7	0.6	0.7	0.4	0.5	0.4	0.5
Per cent change from previous period	-5.1	-14.3	16.7	-42.9	0.0	-20.0	25.0
Nova Scotia. Total. All areas	4.0	4.1	3.4	3.7	4.7	3.8	2.5
Per cent change from previous period	-16.2	10.8	-17.1	8.8	80.8	-19.1	-34.2
New Brunswick. Total. All areas	4.3	4.1	4.0	3.3	3.2	3.4	4.2
Per cent change from previous period	0.8	-8.9	-2.4	-17.5	-8.6	6.3	23.5
Quebec. Total. All areas	47.9	47.6	47.7	41.3	36.9	43.6	41.1
Per cent change from previous period	-1.3	-0.2	0.2	-13.4	-15.2	18.2	-5.7
Ontario. Total. All areas	75.1	74.8	67.8	54.3	47.1	62.6	36.3
Per cent change from previous period	10.2	-5.1	-9.4	-19.9	-11.8	32.9	-42.0
Manitoba. Total. All areas	5.5	5.4	5.8	3.4	3.7	3.5	3.1
Per cent change from previous period	-3.5	-6.9	7.4	-41.4	19.4	-5.4	-11.4
Saskatchewan. Total. All areas	6.8	7.2	5.3	2.2	2.3	2.1	2.9
Per cent change from previous period	13.7	-8.9	-26.4	-58.5	4.5	-8.7	38.1
Alberta. Total. All areas	29.2	25.2	21.9	13.4	12.6	11.9	12.4
Per cent change from previous period	-39.7	-11.3	-13.1	-38.8	-19.7	-5.6	4.2
British Columbia. Total. All areas	34.3	35.3	24.7	14.0	14.2	11.9	11.7
Per cent change from previous period	-12.4	-4.9	-30.0	-43.3	-9.6	-16.2	-1.7

SOURCE: CMHC, Starts and Completions Survey. All data are seasonally adjusted and annualized. This seasonally adjusted data goes through stages of revision at different times through the yearly cycle resulting in finalization of preliminary data. These revisions take place at the end of each month, quarter and year.

This Month's Housing Data, continued (SAAR)*

	2008	Q3: 08	Q4: 08	Q1: 09	M2: 09	M03: 09	M04: 09
Canada. Total. Urban areas	187.4	181.4	162.8	120.3	109.3	127.4	97.0
Newfoundland. Total. Urban areas	2.2	2.4	2.5	2.4	2.2	2.3	1.9
Prince Edward Island. Total. Urban areas	0.5	0.4	0.6	0.2	0.3	0.2	0.3
Nova Scotia. Total. Urban areas	3.3	3.3	2.9	3.0	4.0	3.1	1.5
New Brunswick. Total. Urban areas	3.1	3.0	2.9	2.4	2.3	2.5	3.1
Quebec. Total. Urban areas	41.6	40.4	40.4	33.1	28.7	35.4	33.1
Ontario. Total. Urban areas	71.9	71.3	65.0	52.3	45.1	60.6	34.1
Manitoba. Total. Urban areas	3.8	3.7	4.4	2.3	2.6	2.4	1.8
Saskatchewan. Total. Urban areas	4.7	4.6	3.5	1.6	1.7	1.5	1.1
Alberta. Total. Urban areas	25.4	21.2	19.1	11.1	10.3	9.6	10.2
British Columbia. Total. Urban areas	30.9	31.1	21.5	11.9	12.1	9.8	9.9

* Thousands of units, quarterly and monthly data are seasonally adjusted and annualized.

This Month's Major Housing Indicators

	2008	Q3: 08	Q4: 08	Q1: 09	M2: 09	M03: 09	M04: 09
New Housing							
New & unoccupied singles & semis, units 000s	7.6	7.6	8.5	8.9	8.9	9.0	8.8
Per cent change from same period previous year	26.2	38.4	37.9	29.4	31.6	26.0	22.4
New & unoccupied row & apartments, units 000s	9.5	9.1	10.6	11.2	11.1	11.5	11.6
Per cent change from same period previous year	9.9	4.6	15.4	21.0	18.1	26.1	27.3
New House Price Index, 1997=100	158.2	158.6	157.7	155.4	155.3	154.6	n.a.
Per cent change from same period previous year	3.4	2.3	0.9	-1.6	-1.8	-2.4	n.a.
Existing Housing							
MLS® resales*, units 000s	434.5	446.8	346.7	346.5	349.2	376.0	418.1
Per cent change from same period previous year	-17.1	-12.8	-32.5	-27.9	-25.7	-19.5	-10.5
MLS® average resale price, $C 000s**	303.6	297.9	287.8	283.5	283.3	289.3	292.1
Per cent change from same period previous year	-0.7	-3.4	-9.7	-9.9	-9.7	-7.1	-5.8
Mortgage Market							
Posted 1-Year Mortgage Rate, % (period average)	6.70	6.75	6.10	4.83	5.00	4.50	3.90
Posted 5-Year Mortgage Rate, % (period average)	7.06	6.95	7.05	5.71	5.79	5.55	5.25

SOURCES: CMHC, Statistics Canada, Bank of Canada, The Canadian Real Estate Association.
n.a. Figures not available
* Quarterly and monthly data are seasonally adjusted and annualized (SAAR).
** Annual data is actual. Monthly and quarterly data is seasonally adjusted.

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